GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

STARRED QUESTION NO:359
ANSWERED ON:21.08.2006
COMMITTEE ON SUBSIDY ON FERTILIZERS .
Mohite Shri Subodh

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) Whether the committee set up for bringing down subsidy on fertilizers has submitted its report;

(b) If so, the details of the recommendations made therein;

(c) The time by which these are likely to be implemented;

(d) Whether the Union Government has asked States to cut the value added tax on fertilizer inputs to bring down the fertilizer subsidy;

(e) If so, the details thereof and

(f) The reaction of the State Governments thereto?

Answer

THE MINISTER OF CHEMICALS AND FERTILIZERS & MINISTER OF STEEL (SHRI RAM VILAS PASWAN)

(a) to (f): A statement is laid on the Table of the House.

Statement referred to in reply to Parts (a) to (f) of Lok Sabha Starred Question No. 359 to be answered on 21.8.2006

(a) to (c): The Department of Fertilizers has not issued any orders to set up a committee for bringing down subsidy on fertilizers.

(d) to (f): The Department of Fertilizers has taken up the matter of Value Added Tax (VAT) on fertilizer inputs with the Empowered Committee of State Finance Ministers, which has been constituted to take all decisions relating to sales tax/VAT, for rationalization of rates of sales tax on natural gas, naphtha, furnace Oil/LSHS used in manufacture of fertilizers.